

June 30, 2009

7600-4800-59240-09

Rod McDougall, P.Eng. Exploitation Engineer Canadian Natural Resources Limited Suite 2500, 855 – 2nd Street S.W. Calgary, AB T2P 4J8

Dear Mr. McDougall:

RE: PROGRESS REPORTS WATERFLOOD APPROVAL 95-09-002 (AMENDMENT #2) RIGEL HALFWAY "C" POOL

The Commission is in receipt of the Progress Report #6 for the subject pool dated February 11, 2008.

A condition of the subject approval is that Progress reports shall be filed as stipulated in Part 9, section 108 of the *Drilling and Production Regulation* (now Section 8 of the *Petroleum and Natural Gas General Regulation*).

It is noted from a review of the Rigel Halfway "C" pool that this is a very mature waterflood in an advanced state of depletion. There has been no oil produced or water injected within CNRL Unit #1 since January 2008, with the exception of 22.9 m3 of oil production in August 2008 from well A4-28-88-16W6. In view of this, we concur with your request that CNRL be exempt from submitting any further Progress Reports.

Please note that the Commission may request a Progress Report at a future date if deemed necessary.

Sincerely,

Richard Slocomb, P. Eng. Supervisor, Reservoir Engineering Resource Conservation